Audit markets are highly concentrated and such a situation might have negative consequences on competition, and thus, on price setting, on audit quality and on the functioning of markets. The European regulator recognized some causes for audit market concentration, identified a systemic risk and suggested joint audits and a mandatory rotation of audit firms to reduce concentration. Prominent concentration measures are concentration ratios, the Lorenz curve, the Gini-coefficient and the Herfindahl-Hirschman-Index. An empirical study on the concentration of German Prime Standard market for the period 2010 – 2013 revealed a high concentration which is quite stable over time and a narrow oligopoly with duopolistic tendencies. Nevertheless, competition could still work, e.g. due to the threat of market entrants. Moreover, given the fact that Big4 audit firms provide a higher audit quality, concentration may have positive effects. The mandatory audit firm rotation has a positive effect on auditor independence and a negative effect on auditor competence. This explains why related research output is inconclusive, i.e. the total effect on audit quality remains unclear. Moreover, a positive impact on competition is not ensured. Archival studies reveal that joint audits do not improve audit quality but increase audit costs. On the other hand, joint audits potentially reduce concentration. A combination between audit firm rotation and joint audits might be an optimal solution.